

# PREFERRED FINANCIAL GROUP

## BUSINESS PARTNER APPLICATION

Branch: \_\_\_\_\_ Account Executive: \_\_\_\_\_

### COMPANY INFORMATION:

Applicant Name: \_\_\_\_\_

DBA: \_\_\_\_\_

Physical Address: \_\_\_\_\_ City \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ City \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

### PRIMARY CONTACT:

Name: \_\_\_\_\_ Title: \_\_\_\_\_ E-mail: \_\_\_\_\_

E-mail for disclosures, notifications, etc (if other than listed above): \_\_\_\_\_

### PRINCIPAL:

Name: \_\_\_\_\_ SS#: \_\_\_\_\_ Percent of Ownership: \_\_\_\_\_ %

Name: \_\_\_\_\_ SS#: \_\_\_\_\_ Percent of Ownership: \_\_\_\_\_ %

### BUSINESS TYPE:

\_\_\_\_\_ Corporation \_\_\_\_\_ County, State of: \_\_\_\_\_ Subsidiary of: \_\_\_\_\_

\_\_\_\_\_ Limited Liability Company

\_\_\_\_\_ Partnership General \_\_\_\_\_ Limited \_\_\_\_\_

\_\_\_\_\_ Sole Proprietorship

Date Business Established: \_\_\_\_\_ Taxpayer Identification Number: \_\_\_\_\_

Ancillary Business Affiliation / Ownership: \_\_\_\_\_

### REFERENCES:

Lender: \_\_\_\_\_ Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Lender: \_\_\_\_\_ Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

Lender: \_\_\_\_\_ Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

List Pending Litigation: \_\_\_\_\_

Wholesalers Previously Suspended by: \_\_\_\_\_

### DOCUMENTATION REQUIRED:

- |  |   |
|--|---|
| - Signed Current Profit & Loss Statement | - Corporate Resolution                      |
| - Signed Current Balance Sheet           | - List of Branches/States                   |
| - Appropriate Licensing                  | - Resumes of key people                     |
| - Articles of Incorporation              | - W-9 if Sole Proprietorship or Partnership |

All answers and information submitted in this application are true and correct. I authorize Preferred Financial Group, Inc. to verify the information contained herein with any sources, including a personal credit report(s) and/or a business credit report. I waive any cause of action or claim I may have against such sources with respect to any information they may provide.

\_\_\_\_\_  
(Please Print Name)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## WHOLESALE AGREEMENT

This Agreement ("Agreement"), effective as of the date of the last signature below, hereby entered into by and between the mortgage broker listed below identified on the signature page of this Agreement ("Broker") and Preferred Financial Group, Inc. ("PFG") using the dba "WLO Connect". For good and valuable considerations, Broker and PFG agree as follows:

### 1. General:

PFG is in the business of making mortgage loans on real property ("Loan" or "Loans") and Broker provides services to borrowers interested in obtaining a Loan. PFG will furnish to Broker various Loan Schedules of available loan programs ("Loan Program" or "Loan Programs") with terms and at such interest rates as PFG may determine from time to time. Broker shall offer to PFG Loans that Broker has originated according to applicable Loan Program guidelines.

PFG will underwrite any Loan submitted for funding pursuant to this Agreement or otherwise ensure that any Loan submitted for funding complies with all terms and conditions of this Agreement; provided that such underwriting shall not affect in any way Broker's obligations hereunder, including without limitation, Broker's hold harmless obligations under this Agreement nor shall such underwriting affect or modify the representations and warranties made by Broker in this Agreement or the rights and remedies available to PFG for a breach thereof.

### 2. Responsibilities:

- A. Broker shall produce and submit a complete Loan application package to PFG including, but not limited to, a completed and signed Loan application and other forms and documents required by PFG underwriting guidelines (collectively, the "Loan Package").
- B. PFG shall have no liability to Broker for PFG's failure to underwrite any Loan in accordance with applicable Loan Program guidelines or investor requirements except to the extent such failure constitutes willful misconduct by PFG.
- C. Notwithstanding anything to the contrary contained in this Agreement, PFG shall have no obligation to commit to, accept or fund any Loan submitted to it by Broker and may reject any Loan that, in PFG's sole discretion, does not meet the applicable underwriting guidelines. With respect to any Loan approved by PFG for funding, PFG may require Broker to comply with certain conditions, as set forth in writing to Broker, prior to funding of the Loan by PFG. PFG shall not fund any Loan until all such conditions have been satisfied.
- D. Agency Acceptance: Broker understands that PFG intends to sell Loans to investors in the secondary market, Broker warrants that in submitting Loans to PFG each such Loan Package shall be in compliance with all requirements and warranties of the United States Department of Housing and Urban Development (HUD/FHA), the Department of Veterans Affairs (VA), the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), or the guidelines of any other investor as PFG may identify.

### 3. Representations and Warranties:

Each representation and warrant herein is binding upon Broker regardless of whether the subject matter thereof was under the control of the Broker or a third party. The representations and warranties made in this Agreement shall survive delivery of Loan Packages to PFG and shall inure to the benefit of PFG notwithstanding any examination or investigation by PFG of the mortgage loan documentation in the Loan Packages. With regard to each Loan Package delivered by Broker to PFG under this agreement, Broker warrants:

- A. Loan Meets Guidelines: All Loan Packages conform to applicable Guidelines and satisfy all conditions as specified in this Agreement and/or the Loan commitment.
- B. Broker's Right to Sell and/or Assign: The Broker has full right and authority to deliver, sell and/or assign the Loan Package or Loan to PFG. In addition, the Broker's right to deliver, sell or assign the Loan Package is not subject to any other party's interest or to any agreement with any other party.
- C. Fraud and/or Misrepresentations: Each document included in or submitted in conjunction with Loan Packages or Loans is complete and accurate, contains no fraudulent statements or misleading information, contains no fraud or misrepresentations, has been properly prepared and executed, and all signatures and initials therein are authorized and genuine. Broker has no adverse information or documentation concerning Borrower, other third party, or the security property, which has not been communicated to PFG. PFG's failure to conduct an independent investigation with respect to such materials, signatures and information shall not affect or modify the representations and warranties made by Broker in this Agreement or the rights and remedies available to PFG for a breach thereof.
- D. Loan is Acceptable Investment: Nothing involving the Loan Package, the property, the Borrower(s) or his or her credit standing exists which would: (1) adversely affect the value of the real estate securing the Loan; (2) cause the Loan to become delinquent; or (3) adversely affect the Loan's value and marketability. All documentation and/or information obtained by Broker that might affect an underwriter's decision have been submitted to PFG.
- E. Compliance with Laws: In regard to the Broker's activities in general and the Loan Packages and Loans in particular, Broker has complied, and shall comply, with all Federal laws, including, without limitation upon the generality of the foregoing, the Consumer Protection Act and Equal Credit Opportunity Act and Regulation B and Regulation Z thereunder; the Fair Credit Reporting Act; the Real Estate Settlement Procedures Act and Regulation X thereunder; and all State and Local laws and regulations governing lending and loan brokering. Broker represents and warrants that no Loan Package or Loan is a "High Cost" or "Predatory" Loan as

defined by the Federal Home Ownership and Equity Protection Act or similar State, Local or other Federal law, and the Loan does not fall into any other classification under State law which is not eligible for purchase in the secondary market. Broker further represents and warrants that it is properly licensed in all jurisdictions where required for the origination of Loans as provided for in this Agreement and agrees to maintain all applicable licenses and approvals in good standing during the term of this Agreement.

- F. Appraisal and Guarantees: Broker has furnished to PFG an accurate appraisal by a qualified appraiser who has no interest, direct or indirect, in the Loan transaction or real estate which is the security for the Loan, and whose compensation is not affected by the approval, declination or funding of the Loan.
- G. PFG Policy/Procedure: Notwithstanding anything to the contrary contained herein, Broker shall not charge Applicant any amount that exceeds the applicable pricing policy, as published by PFG from time to time. Broker shall not serve as a real estate agent or earn a sales commission on any transaction for which Broker is serving as the loan broker without the written consent of PFG. Broker must notify PFG in writing if it is serving in such/any dual capacity at the time Broker submits the Loan Package to PFG and must submit to PFG a copy of any disclosure of its dual capacity that Broker is required by applicable law to provide Applicant.
- H. Review of Broker: As may be required by PFG from time to time, Broker shall cooperate with and provide all information, documents and reports requested by PFG so that PFG may conduct a review of Broker and its operation. Such information, documents and reports may include, but shall not be limited to, financial reports (including the most recent audited financial statements of Broker), copies of any required bonds or insurance coverages and any approvals with applicable governmental agencies.
- I. Ownership; Prior Involvement: Broker nor any of its owners, officers, partners, agents or employees does not currently have nor has previously had any direct or indirect interest in any property acting as security for any Loan submitted to PFG, or affiliation or relationship with any other party having a financial interest in any Loan or any Loan transaction submitted to PFG under the terms of this Agreement.

**4. No Agency or Employment Relationship:**

Broker shall conduct all business as a duly licensed, independent contractor, and is not an employee, partner, servant, agent, nor affiliate of PFG. Broker shall not commit, contract or obligate PFG to any third party in any manner, implied, written, or otherwise. Broker shall not use PFG or its or any affiliate's name or any PFG's dba names in any advertising or other promotional campaigns, without the prior written consent of PFG.

**5. Breach, Remedies and Indemnity:**

Broker shall indemnify, hold harmless and defend PFG from and against all losses, damages, penalties, fines, forfeitures, legal fees and related costs, judgments, and any other costs, fees and expenses heretofore or hereafter resulting from any claim, demand, defense, or assertions based or grounded upon or resulting from a breach of any of the representations and/or warranties contained in this Agreement. All rights and remedies provided in this Agreement are separate and cumulative to any other right or remedy under this Agreement or afforded by law or equity, and may be exercised by PFG concurrently, independently or successively, and such rights and remedies shall inure to the benefit of PFG, and its successors and assigns.

If after the funding or purchasing of a Loan by PFG, PFG determines that any of the representations warranties made by Broker contained herein has been breached, PFG may, at its option, make written demand upon Broker for indemnification. Within ten (10) days of receipt of a written demand for indemnification, Broker agrees to pay PFG its estimated or actual damages, as set forth within said demand. If damages are estimated, Broker agrees to accept PFG's estimate of damages. PFG agrees to deliver to Broker a written statement of actual damages once they are determined. If the actual damages are more/less than the estimated damages, an adjustment would be made within ten (10) days of Broker's receipt of the statement of actual damages with either PFG remitting monies to the Broker or Broker remitting additional monies to PFG equal to the over/under estimated damage amount.

**6. PFG Limitations and Termination:**

PFG and/or Broker may terminate this Agreement at any time. In the event of such termination, this Agreement shall remain in full force and effect with respect to all Broker's outstanding obligations, representations, warranties and covenants arising out of or relating to Loans subject to this Agreement. Broker shall be responsible for and pay any and all costs outstanding at the time of termination and/or incurred after the termination date.

**7. Assign ability:**

This Agreement is not assignable or transferable by Broker.

**8. Purchase and Sale Agreement and Post Settlement Adjustments:**

In the event a premium is paid by PFG to Broker on a Loan and such Loan is prepaid in full by a borrower(s) within six (6) months from the date of the first payment due to PFG, then Broker shall, within ten (10) business days of a written demand, remit to PFG in immediately available funds 100% of the premium paid to Broker by PFG.

**9. Remedy For Early Payment Delinquency:**

Any failure by a borrower to make any of the first three (3) payments due to PFG, the servicer and/or the investor within the same month it is due, regardless of whether such payment is subsequently paid by borrower; shall be considered an "Early Payment Default" and a breach of this Agreement. Upon the occurrence of an Early Payment Default on a Loan funded by PFG under this Agreement, Broker agrees to and shall be obligated to indemnify PFG pursuant to the terms set forth in Section 5 of this Agreement.

**10. Right to Offset and Delivery of Payments:**

In addition to any rights now or hereafter granted under this Agreement, or by applicable law or otherwise, and not by way of limitation of any such rights PFG is hereby authorized at any time or from time to time, without presentment, demand, protest or other notice of any kind to Broker or to any other person, any such notice being hereby expressly waived, to set off and to appropriate and apply any and all amounts at any time owing by Broker to or for the credit of the account of PFG against and on account of the obligations and liabilities of Broker to PFG under this Agreement, irrespective of whether or not PFG shall have made any demand therefore.

**11. Arbitration and Alternative Dispute Resolution:**

It is agreed between the parties herein that any unresolved dispute between the parties arising out of, in connection with the terms of this Agreement shall be adjudicated by arbitration in accordance with the laws of California and the rules of the American Arbitration Association in effect at the time any arbitration proceeding is commenced, which rules are hereby incorporated herein by reference and made a part of this Agreement. The arbitration award shall be final and binding on the parties herein, and judgment upon such arbitration award may be entered in any court having jurisdiction. The parties also may select other forms of alternative dispute resolutions to address the outstanding dispute on such basis, as the parties shall mutually agree.

**12. Communications:**

By Signing this Agreement, I certify that I am duly authorized to grant consent on behalf of the Broker named herein and do hereby grant consent for the Broker to receive faxes and/or emails sent by or on behalf of PFG, it's subsidiaries and/or affiliates, and that this consent applies to any and all fax numbers and email addresses of Broker and Broker's employees and affiliates.

**13. Entire Agreement:**

This Agreement contains the entire agreement of the parties and supersedes any other understandings, if any, with respect to the terms hereof. This Agreement may not be modified, changed or supplemented, nor may any obligations hereof be waived without written consent and subsequent written and executed approval by both PFG and Broker. Notwithstanding anything to the contrary herein, it is understood and agreed that all representations and warranties included in this Agreement apply to any and all Loans originated and/or submitted by Broker, irrespective of whether Loan is closed in the name of Preferred Financial Group, Inc. or any of its divisions, subsidiaries, affiliates, dba names, etc.

PFG and Broker hereby execute this Agreement, effective this date, and affix their hands and seals hereto:

**PREFERRED FINANCIAL GROUP, INC.**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINT NAME

\_\_\_\_\_  
TITLE

**BROKER: \_\_\_\_\_**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINT NAME

\_\_\_\_\_  
TITLE (MUST BE OWNER/SENIOR OFFICER)

**CORPORATE RESOLUTION**

I, \_\_\_\_\_, hereby certify that I am a duly elected and qualified Secretary or Officer of \_\_\_\_\_, a (state) corporation or Business, with its principal office located in the City of \_\_\_\_\_, State of \_\_\_\_\_, and that the following is a true and correct copy of the resolution(s) duly adopted by the Board of Directors of the corporation in accordance with the By-laws of the corporation and the laws of the State of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_:

RESOLVED, that this corporation shall enter into the Wholesale Broker Agreement Dated \_\_\_\_\_, 20\_\_\_\_\_, between the Corporation and **Preferred Financial Group, Inc.** (the "Agreement"); and

RESOLVED, that the Board of Directors authorizes and directs \_\_\_\_\_ Name, \_\_\_\_\_ title, to execute and enter into the Agreement on behalf of the corporation; and

RESOLVED, that the individuals whose names, signatures and titles appear below be, and each of them is, authorized and empowered to take all steps and do all acts as may be necessary and proper to carry out the purposes of the Agreement, and the performance and observance by the corporation of all covenants, conditions, warranties and obligations arising under the Agreement, including but not limited to the making of and execution of any instruments, certificates, or other documents in connection with the Agreement.

Name	Title	Signature
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Name	Title	Signature
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Name	Title	Signature
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IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the corporation this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Name	Secretary / Officer Title	Signature
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